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November 1, 1993

Mr. William F. Caton  
Acting Secretary  
Federal Communications Commission  
1919 M Street, N.W., Room 222  
Washington, D.C. 20554

Re: RM-8357

Dear Mr. Caton:

Transmitted herewith, on behalf of TDS Telecommunications Corporation, are an original and nine (9) copies of its comments in the above-referenced proceeding.

In the event of any questions concerning this matter, please communicate with this office.

Very truly yours,

*Margot Smiley Humphrey*  
Margot Smiley Humphrey

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Before the  
**FEDERAL COMMUNICATIONS COMMISSION**  
Washington, D.C. 20554

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

In the Matter of

Petition to Allow  
Small LECs to Convert from  
Cost to Average Settlement Status

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RM-8357

COMMENTS OF TDS TELECOM

TDS Telecommunications Corp. (TDS Telecom), by its attorneys and on behalf of its small local exchange carriers (LECs), submits these brief comments to support the Petition for Rule-making filed September 13, 1993, by the National Exchange Carrier Association (NECA). NECA asked the Commission to initiate a proceeding looking towards revising Section 69.605 of the Rules to allow small local exchange carriers to elect average schedule status.

Of the 92 small and primarily rural TDS Telecom LECs, 60 settle on the basis of cost and 32 settle on the basis of average schedule settlements. Thus, TDS Telecom is familiar with the costs and benefits associated with both settlement methods.


TDS Telecom agrees with NECA that providing LECs with less than 10,000 access lines an expanded opportunity to convert from cost to average schedule settlements would save small companies the unnecessary cost and burden of performing cost studies. The additional conversion opportunities would also enable more

companies to elect what amounts to incentive-based regulation. The potential impact on the NECA pool revenue requirements or existing average schedule companies would be minimal.

The benefits of NECA's proposal far exceed the costs. Therefore, TDS Telecom urges the Commission to grant NECA's request for rulemaking and initiate a proceeding to consider and adopt NECA's proposal.

Respectfully submitted,

TDS TELECOMMUNICATIONS CORP.

By:   
/s/ Margot Smiley Humphrey  
/s/ Margot Smiley Humphrey

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1150 Connecticut Avenue, N.W.  
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Its Attorneys


November 1, 1993

CERTIFICATE OF SERVICE

I, Richard D. Massie, a secretary in the law firm of Koteen & Naftalin, do hereby certify that I have this date caused the foregoing to be sent by first class United States Mail, postage prepaid, to the following:

Richard A. Askoff, Esq.  
National Exchange Carrier Association  
100 South Jefferson Road  
Whippany, NJ 07981

November 1, 1993

By:   
/s/ Richard D. Massie  
/s/ Richard D. Massie